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BRAZILIAN BULLETIN

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JUNE 30, 1954 — No. 252

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U.S. DEPARTMENT OF AGRICULTURE
CURRENT SERIAL RECORD

Exchange-Saving Industries Appraised

Tight Coffee Position Seen

Predictions of Increased Availabilities are Called Premature by Expert

Talk of an increased availability of Brazilian coffee and a consequent possibility of lower prices is premature by at least one year, Horácio Cintra Leite, U.S. representative of the Brazilian Coffee Institute, declared late June.

He acknowledged that unofficial estimates of Brazil's coffee carryover—the amount from one year's crop on hand when a new crop enters the market — had been raised during the latter part of the month.

Estimate Scored

"Unfortunately," he said, "this unofficial estimate was arrived at largely by adding onto the previously estimated carryover the supposedly unsold bags of coffee theoretically resulting from the decline in sales to the United States registered in May and the first two weeks of June.

"But it fails to take into account other important factors.

European Buying Up

"For example, sales of Brazilian coffee to Europe jumped by 17 percent this year.

"In the first quarter of 1954, sales just to West Germany, France and Finland rose by 219,000 bags over the like 1953 period."

Deferred Demand?

The picture is further complicated, Mr. Leite asserted, "by the probability that the drop in

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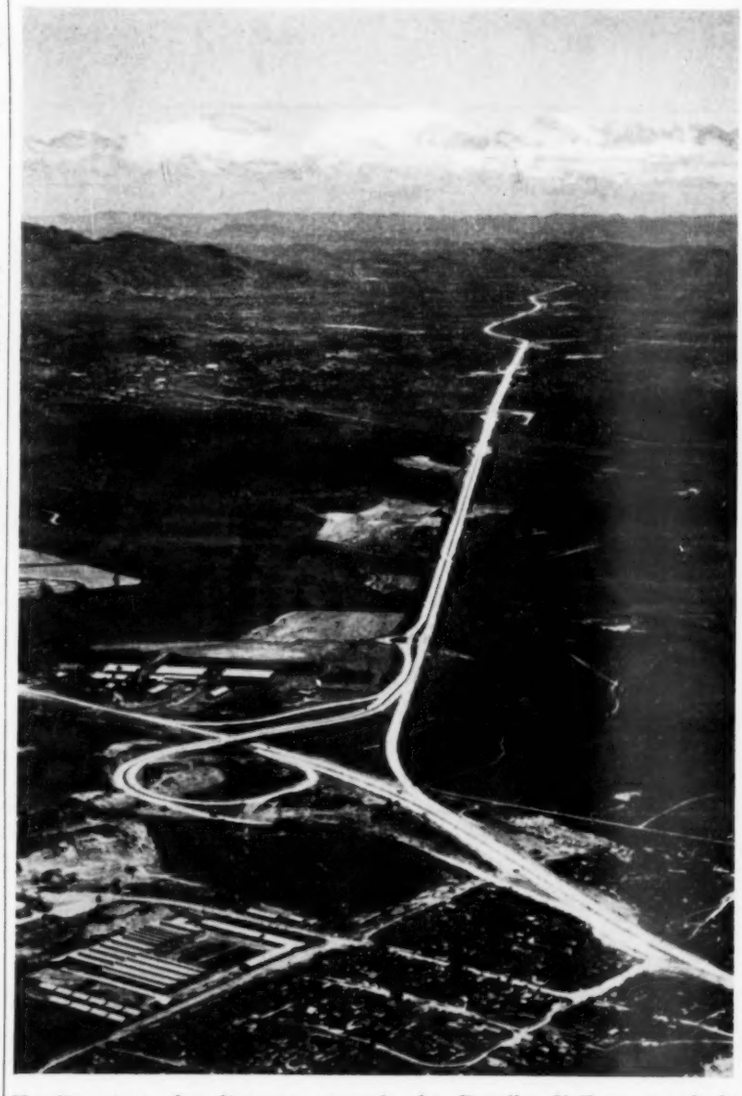
Into the "Valley of Billions"



Heading into the distance, towards the Paraíba Valley, popularly known as the "Valley of the Billions", is the Via Presidente Dutra superhighway, which links São Paulo with Rio de Janeiro, passing through an industrial region of increasing importance. The Paraíba Valley, site of Volta Redonda, General Motors new plant and scores of other important industries, is described as having a brilliant future, may become one of the most prosperous regions in Brazil. Important oil developments are also scheduled to take place in the valley, as the giant joint-economy "Petrobras" organization moves into industrialization of the bituminous schist reserves at Tremembé, near Taubaté, principal industrial center in the region. For news about developments in the valley, please turn to page 3.

$329 Million Benefit Cited

Walder Sarmanho, Head of Economic Development Bank, Gives Report

Exchange savings to Brazil, through replacement of import sources by local manufacture, during the next four years, have been estimated at around $329 million by Minister Walder Sarmanho, President of Brazil's National Economic Development Bank, it was disclosed in June

Aid Given to Industry

Expansion of basic industries that can make Brazil self-sufficient in an increasing number of lines is receiving assistance from the Bank on a vast scale, it was shown.

Among the most prominent items for which National Development Bank financing has been announced in recent weeks have been hydro-electric power projects, of vital importance to Brazil's drive to strengthen the economic "substructure" benefitting industry in general.)

Further Requirements

Execution of projects now under consideration, many of which are in their final stage, with dollar and cruzeiro financing assured, Minister Sarmanho said, will still demand additional dollar investments of approximately $447 million plus cruzeiro counterpart financing.

Vast Investments Scheduled

Completion of the national economic Development plan will call for spending of Cr$20 billion and

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Reports of More Coffee Availabilities Discounted

Horácio Cintra-Leite Gives Figures on Present Position

Problems of Meeting Growing Demand from Many Lands Emphasized by Expert

(*From page* 1)

U.S. purchasing noted in May and early June was in fact due to deferred demand resulting from a wait-and-see policy regarding Brail's new coffee crop, which begins entering the market July 1."

This deferment of purchases, the Brazilian coffee expert declared, "would then have to be met later and all at once.

"In that case a genuinely dangerous supply situation would be created which would cause prices to rise beyond the level justified by the relationship of supply and demand."

Mr. Leite said that "our hope is that the decline in U.S. purchases will allow us a margin of safety and enable us at least to meet the rise in European demand.

Carryover Sharply Down

"But even in the best of circumstances our total carryover cannot reach much above two million bags, which is nearly one million less than it was last year at the end of June."

He noted also that Brazilian coastwise shipments and port consumption, which are at the rate of nearly 100,000 bags monthly, also have to be deducted from Brazil's exportable coffee crop.

"If our problem of supplying coffee to the consuming public were limited only to the United States," the Brazilian Coffee Institute representative said. "I would now be reasonably optimistic.

"But the unfortunate fact is that demand is mounting all over the world."

He reported that the rise in European demand was especially noteworthy in Scandinavia.

Sales to Denmark in April, the latest available month, were three times above the April level last year, while sales to Finland were twice those of 1953 in the same month.

Wonder of Amazon Region Described

(*From page* 5)

feet in diameter at a height of fifty feet above the ground.

Guaraná, a fine medicinal plant, also grows wild in the Amazon forest. It is used to make a tasty soft drink very popular throughout Brazil, and which may some day become just as popular among thirsty Americans. First locality in the U.S. to produce a guaraná-base soft drink was Worcester, Massachusetts.

Not alone for its wealth of surprises and delights for the tourist is the Amazon region regarded as a land of the future. Under the Amazon Economic Valorization Plan, three percent of all revenue of the Union is being funneled into the economic development of the entire region. Those who delight themselves in the beauties of this unique tropical playground today might well return in a few years time to find it well on the way to fulfilling the future which has been predicted for it, that of a "store-house for the world."

PAULO AFONSO CONFERENCE SCHEDULED FOR AUGUST

Possibilities of large-scale investment in the region to be served with low-cost power in the Paulo Afonso region are to be discussed at a special "Paulo Afonso Conference" scheduled to take place during the second half of August, it is announced.

Subjects of priority for discussion at the conference include building of warehouses, irrigation by aspersion techniques, and industrialization of mandioca and other crops in the region.

SWISSAIR INAUGURATES AIR LINE LINKING BRAZIL AND SWITZERLAND

A new air service operated by Switzerland's "Swissair" concern, providing transportation between Switzerland and Brazil, with terminal at São Paulo, was inaugurated at the beginning of June.

Vast Developing Investments Noted

Walder Sarmanho, Head of Economic Development Bank, Gives Report

(*From Page* 1)

$500 million, the Bank director explained, and of this total, financing conceded, or about to be conceded by the Bank, he said, already totals Cr$7,107,000,000.

Agricultural Boost Ahead

Outlining the fundamental program of the Bank in the fields of transportation, electric power and basic foodstuff industries, Minister Sarmanho stated that in the sector of farm mechanization, Development Bank financing will soon permit farmers to receive almost $35 million in agricultural equipment.

Focus Attention on Wheat

(Mechanization of agriculture is one of the primary aims of the Administration, with special attention being given to the wheat productive drive.)

The increasing rôle which will be played by minerals exports in the economic future of Brazil was also highlighted by Minister Walder Sarmanho, when he pointed to exports of managnese and iron ore from Amapá, Urucum and Vale do Rio Dôce as a potential source of exchange earnings as much as $30 million a year.

Rio Dôce last year shipped over 1.5 million tons of ore, aims to boost production far higher this year.

TWO MILLION VISITED BRAZIL'S STAND AT PARIS 1954 FAIR

About two million people are estimated to have visited the Brazilian stand at the 1954 Paris Fair, according to Mr. di Pasca, of the Brazilian Government Trade Bureau of Paris, organizer of the stand. Brazil was the only Latin American country represented at the Fair, which closed early in June.

Paraíba Valley Prospects Cited

(*From Page* 3)

milk, an opinion strongly supporting the praise voiced by the Mayor of Taubaté for the climate of the region.

Point of Gracious Living

An interesting detail of life in the "Valley of the Billions", cited by the Mayor of Taubaté in his discussion of the merits of this rapidly-developing region, is the new model town called "Belveder Clube dos 500," located halfway between the cities of Lorena and Guaratinguetá.

This town, which was planned by Prestes Maia, famed architect responsible for the layout of the modern city of São Paulo, is said to be scientifically planned for gracious living.

A highlight of the site is an ultra-modern recreation and social center designed by Oscar Niemeyer, one of the most outstanding figures in Brazilian, and world, architecture.

Large Amazon Pulp Plans Ahead

(*From Page* 7)

The close attention being given to Amazon prospects on a practical level is seen from the fact that technical studies last year on industrialization prospects of the various types of lumber were immediately followed by the drawing of preliminary plans aimed at establishing three pulp mills in the region, which would eventually be built up to a capacity of about one million tons a year.

NOTE

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Paraíba Valley is Scene of Industrial Boom

Brazilian & Foreign Capital Flocks to the Strategically-Located Region

May Soon be One of Most Prosperous Areas in Whole of Brazil

The Paraíba Valley, whose economic center of gravity lies a little under half way between São Paulo and Rio de Janeiro, is attracting both Brazilian and foreign capital on a steadily increasing scale, and may soon become one of the most prosperous regions in Brazil, according to Mr. Felix Guisard Filho, Mayor of the important industrial city of Taubaté, principle center in the valley.

Privileged Situation

"The Paraiba Valley enjoys a privileged situation in Brazil itself, and perhaps even in the entire world," the Mayor stated in a recent press interview.

"Located between the two greatest consuming centers in Brazil, it possesses an excellent system of transportation, with fine highways and a wide-gauge railroad service (Central do Brasil).

"It is also about half-way between the two largest ports in Brazil: Rio de Janeiro and Santos, has enormous hydro-electric potential, and, finally, has unquestionably one of the finest climates in the whole country.

Advantages Made Known

"It was by making known all of these factors that we have been able to attract to the Paraíba Valley the attention of industrial firms the world over.

He explained that he had enlisted the aid of the mayors of other municipalities in the region, who have cooperated with him in the campaign to attract capital investment to the region, by carefully studying and making known the advantages accruing to industries locating along the Presidente Dutra highway.

Powerful Industrial Center

Taubaté is progressively becoming a powerful industrial center, and already possesses two of the greatest industries in all South America, the Companhia Taubaté Industrial, a huge textile factory, and Companhia Fabril de Juta.

Among the new industries which will locate in Taubaté is Indústria de Máquinas Piratininga, a leading Brazilian foundry which expects to build here, on a 100-acre industrial area, the largest establishment of its type in Latin America.

Another Brazilian industrial giant, VEMAG, has acquired a 600 acre area to build its new factories.

VEMAG is distributor of Massey-Harris and Ferguson tractors as well as of the Swedish Scania-Vabis products, and is said to hold patent rights for manufacture in Brazil.

Focus of Heavy Industry

An even larger area, estimated at over one thousand acres, has been purchased by the French Intramag concern, of Lyon, which builds crawler tractors, agricultural equipment, and especially heavy machinery for road building.

Yet another important concern planning to locate in Taubaté is Volkswagen, which will build a large automobile plant alongside the Presidente Dutra super-highway.

Volta Redonda and G.M.C.

Other prominent industrial centers in this region, sometimes referred to in Brazil as "The Valley of the Billions", are São José dos Campos, site of the new General Motors plant (scheduled to produce 50,000 vehicles a year), Volta Redonda, where Brazil's largest steel mill now produces at a rate upwards of 700,000 tons a year and now aims to achieve one million tons, and Barra Mansa, an important industrial center and railroad hub.

Aviation Research Center

São José dos Campos has another claim to fame. It is the location of the finest aviation research center in Latin America, where two 1,600 h.p. wind-tunnels, similar to those used by NACA in the U.S., have been constructed, and research work is now being done by the Brazilian airforce on such projects as giant helicopters.

Johnson & Johnson, old-established U.S. industry, has also picked Taubaté for its new factory, and the Dutch Phillips electrical and radio industry will also locate there.

Oil Industry Coming

One of the natural riches of the Paraíba Valley is the bituminous schyst encountered there, a rich source of oil.

The giant Petrobras organization, which will develop Brazil's oil reserves, now plans to invest about Cr$1 billion in the development of schyst reserves in the nearby municipality of Tremembé.

Planned at present, it is reported, is a plant with a capacity for extracting at least ten thousand barrels of crude daily by distillation of the Tremembé schyst.

Japanese Industry Comes

Pindamonhangaba, formerly noted mostly as a prominent agricultural center, is now to be the site of Japanese heavy machinery and chemical industries in which "hundreds of millions of cruzeiros" are to be invested.

Barra do Piraí, scene of the giant river diversion project which feeds the underground Forçacava hydro-electric project, is the headquarters of Brazil's largest tobacco industry, Cia. Souza Cruz, which also operates a paper factory.

It will now also be the industrial location for the Swiss-Brazilian Nestlé concern, making a variety of food products.

Elevators Made in Rezende

Rezende, a high-altitude town which also is the scene of the "Agulhas Negras" military college, (Brazil's "West Point") is the location chosen by another Swiss-Brazilian industry, Schindler, for the manufacture of its elevators, while Ovomaltine, the Brazilian version of Ovaltine, will be made at a plant in the same town.

The Valley also possesses one of the largest packing-houses in the entire region, the Brazilian-owned Frigorifico Cruzeiro, located in the town of the same name.

Agricultural Expansion

In the field of agriculture, the Paraiba Valley is not lagging behind, despite its sudden drive for industrialization.

An interesting phenomenon which has arisen in the valley, largely due to the influx of agricultural population into the industrial cities, is intensive mechanization of agriculture, linked with a new trend towards increased size of farm properties.

Swiss Cattle Coming

It is reported that Switzerland plans to export to the valley a large number of Schwyz breeding cattle.

The initiative, attributed to Zurich's Schwyz Cattle Cooperative, is said to be largely stimulated by the fact that the Swiss have lost many of their former markets, which now lie behind the Iron Curtain.

A recent arrival in the valley was Swiss expert Mr. J. Schenkle, whose trip was aimed at studies on the acclimatization of Schwyz cattle in the region, in addition to the possibility of crossing the Schwyz strain with Brazil's famed Gyr-Nelore strain, to produce a new race of milking cattle in the country.

Climatic Benefits

Concerning prospects of dairy industry development in São Paulo, words of encouragement were expressed by Professor John B. Griffing, consultant general of the Rockefeller interests in Brazil, who, after a recent trip of inspection, mentioned that Hollandish cattle, born in Brazil, are now producing as much as 1,000 liters of milk more per year than did their parent cattle in country of origin.

This, he mentioned, was a indication of his opinion that climatic conditions in the State of São Paulo are more satisfactory than in Europe for the production of

(*See Page* 2)

Amazon is Rich Source of Tourist Thrills

Tropic Wonderland can Now be Visited with Every Modern Comfort

Tourists hankering after natural wonders can get a foretaste of an all-time Brazilian "first"—the Amazon, the largest river in the world—from a recent release distributed by the Brazilian Department of Tourist Activities.

This fabulous region of Brazil, whose dominant feature is the extraordinary "river-sea", can now be visited in up-to-the minute convenience, thanks to the modern "Hotel Amazonas", at the state capital of Manáus, an air-conditioned vacation spot placed only a few hours from the U.S. by abundant plane connections.

Though the size of the Amazon river is a matter of common knowledge, it will come as a surprise to many that at its deepest point, near Obidos, in the state of Pará, its bed is covered by no less than 430 feet of water. If the Empire State Building were to be set down midstream at this point everything below the fortieth floor would be under water.

According to the Tourist Department, average flow is no less than 4.2 million cubic feet a second. Armchair engineers might figure this rate of flow is about equivalent to a flood reaching ten floors high, moving down, say, New York's Fifth Avenue, at a rate of two hundred miles an hour.

The source of the Amazon river had long been an object of speculation on the part of geographers and explorers. According to the Geographic Society of Perú, it rises in the Peruvian Andes, at the foot of Cununani Peak, at an altitude of over 14,000 feet. This would make it approximately 4,375 miles in length, or slightly longer than the Mississippi-Missouri complex and the Nile.

However, according to the explorations of French expert, Michel Perrin, in 1953, the Amazon's source is the Apurimac river, rising in Lake Villafró, in the Andes, less than 100 miles from the Pacific Coast. This would give a somewhat shorter total length.

At flood season, the Amazon Basin provides a total navigable extension of no less than 37,500 miles, chiefly on the Amazon river, but supplemented by nine others, the Madeira, Guaporé, Purús, Acre, Rio Branco, Rio Negro, Xingú, Maués and Javarí.

Widest point of the Amazon, between Macapá and Belém, is about 300 miles in width. The flow is so powerful that it is claimed fresh water can be still picked up as much as fifty miles off the coast.

Tradition has it that the Amazon river was discovered in 1500, by Vincente Yañes Pinzón, commanding a Spanish expedition. Originally named "Rio Santa Maria de la Mar Dulce", this cumbersome title was later shortened to "Mar Dulce".

The Indian name for the Amazon was originally "Paranáguaçú", meaning "great river", and in writings by the companions of Pinzón, dating back to 1515, it is called "El Ryo Marañón".

The first descent of the river from the Andes to the sea was made in 1541, by Francisco Orellana, who reached the main stream by way of the Napo River, which rises near Mount Cotopaxi, in Northern Equador and flows across the Peruvian border.

It is generally accepted that the name Amazon was given to the river by Orellana, after a pitched battle with the Tapuias tribe of Indians, in which women also took part.

At flood tides, visitors to the neighborhood of city of Belém, near the mouth of the Amazon, have an opportunity to see one of the world's most impressive tidal bores, called in the Amazon the "pororoca".

The cause of this phenomenon is that the fourteen-mile-an hour flood of the Amazon, in huge volume, drives back the rising tide at the river mouth with tremendous force, until a point is reached where the incoming tide becomes sufficiently powerful to withstand the river's flow, and then rises above it, and surges upstream as an overriding flood. The "pororoca" is said to reach a height of as much as ten feet, and to be accompanied by an awe-inspiring roaring noise.

The geographically-minded will be interested to note that the Amazon receives no less than seventeen tributaries, of which nine—Putumaio, Japurá, Rio Negro, Urubu, Jamundá, Trombetas, Parú, Jarí, and Araguarí, enter it on the left bank, and eight—Javarí, Jutaí, Tefé, Coarí, Purús, Madeira, Tapajós and Xingú—on the left.

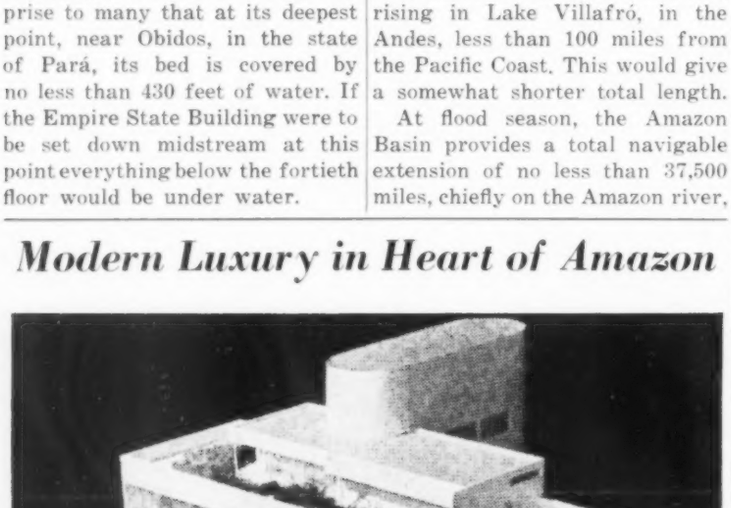
The Amazon floods which usually begin in December and recede in June, are estimated to affect a total of about 5 per cent of the Amazon region, the large towns in the region being built on ground high enough to be above flood levels.

The Amazon Basin is estimated to have an hydro-electric poten-

Typical Amazon Jungle?

This is one of the open savannah that occupy thousands of square miles in the Amazon Basin. It is in Rio Branco, not far from the Guiana-Venezuela highlands.

Modern Luxury in Heart of Amazon



This luxury hotel, with all modern comforts, including air conditioning, awaits the traveler at Manáus, in the heart of Amazonas. The Brazilian Hotel Association selected it for a recently-held nationwide hotel convention.

tial of no less than 4,395,000 horse power, a natural resource which will undoubtedly one day make it one of the world's highly-developed regions, when demand attracts sufficient economic interest to develop it completely.

At the mouth of the Amazon lies an archipelago formed of five larger, and numerous smaller islands. The biggest of all, called Marajó, has an area of 39,837 square kilometers, larger than Belgium and Switzerland together. It is noted for cattle breeding and for a characteristic type of indigenous art indicating a high degree of manual dexterity and somewhat resembling the work of the Mayas and Aztecs.

The huge flow of the Amazon is a sign of heavy rainfall in the watershed, and this has, in fact, been estimated to be as high as one hundred inches a year, at certain points. The climate is humid but temperature is not excessive and is said to range in the mid-eighties, with little variation during the year.

The highest point of the State of Amazonas is Mount Roraima, about 9,500 feet in altitude, one of the northernmost places in Brazilian territory, on the borders of Brazil, Venezuela and British Guiana.

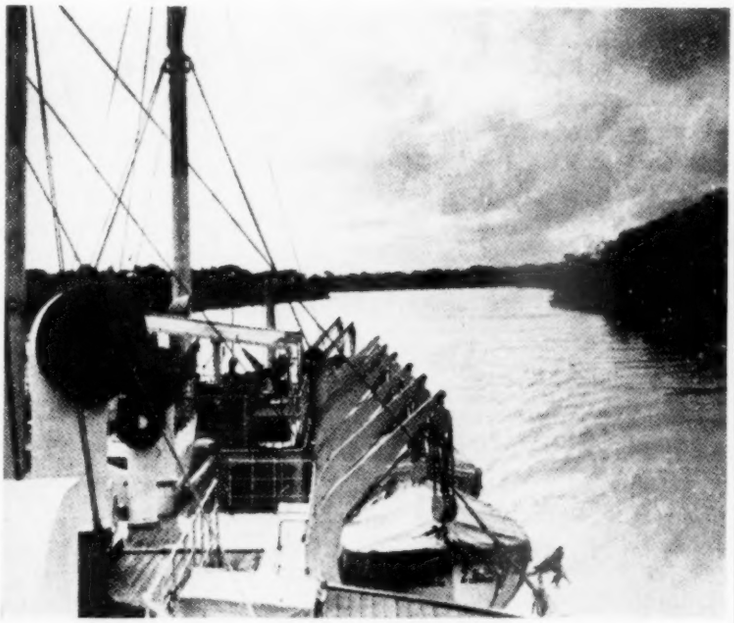
Total area of the State of Amazonas is almost 1.6 million square kilometers, equivalent to about 625,000 square miles, or roughly two and a half times the size of Texas.

Being so richly supplied with navigable waterways (ocean liners regularly call at Manáus, state capital, about 1,000 miles from the mouth), railroad transportation is but little developed. The Brazilian Amazon region is served by three lines, the Bragança-Belém, the Amapá Railroad, and the famous Madeira-Mamoré, with a combined total of about 575 miles. The Madeira-Mamoré Railroad is famed for the difficulties that were overcome in its costly construction, a epic of human endurance.

Air services, however, are highly developed, in line with the Brazilian tradition of maximum possible usage of air transport (the country ranks among the highest in the world in total milage covered yearly).

Three lines, "Panair do Brasil", "Serviços Aéreos Cruzeiro do Sul" and "Loide Aéreo Brasileiro", provide regular transportation throughout the entire Amazon valley.

Peaceful Scene Near the "River-Sea."



This scene, taken on the River Tapajós, close to the point where it joins the Amazon, is typical of those awaiting the tourist as he drifts along the unending waterways of the jungle wonderland.

The entire Amazon region teems with animal life, and is a favorite goal of hunters and fishers. Even in the realm of the finny creatures, the Amazon can count itself among the world's "firsts", for its waters are inhabited, among other species, by the "pirarucu", a king-size denizen of the deep, which grows to a length of as much as seven feet being the largest known fresh water fish. A full-grown specimen may weigh as much as 230 pounds.

The "pirarucu" is used not only for immediate consumption, but also prepared in much the same fashion as the codfish. This fish may unknowingly become a source of immense wealth to Brazil in the future. The Klein & Saks mission, which recently concluded an extensive survey on development of food resources in Brazil, has recommended extensive industrialization of the "pirarucu", to save the country a part of the Cr$400 million which is spent annually on imports of codfish.

Less co-operative than the "pirarucu" is the famous "piranha", an animal that visitors will do well to give a wide berth to. This fishy assassin, though only a foot in length, is unbelievably vicious, and has a voracious appetite. Animals falling into the water have been known to be stripped to the bones by the "piranhas" in a few seconds.

Of the vegetal resources of the Amazon valley, timber, rubber, jute, Brazil nuts and guaraná take pride of place.

Eighty-five percent of the total area of the state is covered with timber, and the total reserves are estimated to be sufficient to last for five hundred years, even without reforestation, at present rates of cutting.

At least two thousand varieties of commercially-valuable or potentially valuable lumber have been described, most of which have hard-wood characteristics. Types suitable for every application yet discovered are available in the Amazon, and studies now afoot are aimed at using this lumber also for the production of pulp and paper. These studies may eventually make Brazil a world exporter of woodpulp.

Twenty varieties of trees in the Amazon give rubber latex, and there are said to be about three hundred million feet of native rubber, covering an area of one million square miles. Nevertheless, transport difficulties have been an obstacle to full development of this immense reserve, and today Brazil is straining every effort to bridge the gap between natural rubber production and the munting consumption of its rubber industry, believed to be the fastest growing basic industrial activity in the world.

Cultivation of jute, on a scientific basis, is being expanded rapidly in the Amazon, and Brazil has achieved self-sufficiency, starting almost from scratch, in less than ten years.

The Brazil nut, widely sold in the United States and England, and a popular ingredient of many tasty recipes, is found only in the Amazon. It is the seed of trees that grow wild in the Amazon forests, and reach a height of about one hundred feet, being six

(*See Page* 2)

Vitória Regia, Queen of Lilies

"If a thing's worth doing, it's worth doing well" would seem to be the motto of the Vitória Regia. The energetic water plant, indigenous to Amazonas, grows leaves up to six feet in diameter, which can support weights up to 30 pounds.

Brazil Will Construct Pilot Uranium Plant

Poços de Caldas Selected as Site

Major Purpose Will Be Practical Training of Atom Experts

Brazil's first plant for refining uranium-bearing minerals and production of metallic uranium is to be built in the Poços de Caldas region of the State of Minas Gerais, it was disclosed recently.

The new plant, it is stated, will be a pilot installation, intended chiefly for the purpose of training teams of nuclear experts.

It is also designed for production of sufficient quantities of uranium of "nuclear purity" to permit construction of experimental nuclear reactors.

Stepwise Program

Admiral Alvaro Alberto, head of Brazil's National Research Council, which directs nuclear investigation and development in Brazil, emphasized, in his report to President Getúlio Vargas, that the atomic energy program is to be carried forward in a rational stepwise fashion, by progressive stages.

Cyclotron Training

Other facets of this program aimed at achieving nuclear power are the training of nuclear physicists in cyclotron and allied techniques, at the atomic center now being constructed in Niteroi and extensive surveys for nuclear ores.

The Niteroi center houses the 21-inch synchro-cyclotron, with a potential of 6.5 million electron volts, specially built at the University of Chicago to Brazil's order.

Minerals Surveys

Mineral surveys in nuclear-ore-rich Brazil are carried on by up to date aerial techniques, including magnetometric and scintillometric methods.

Among the most promising sources of such ores is the state of Minas Gerais, site of the new pilot plant.

Brazilian News and Notes

HAILE SELASSIE IS GIVEN BRAZILIAN DECORATION

President Getúlio Vargas has signed a decree conferring upon His Imperial Majesty Haile Selassié I, of Ethiopia, the Grand Collar of the National Order of the "Cruzeiro do Sul."

BRAZIL RAILROAD MILEAGE TOTAL IS REPORTED

Brazil's railroads totaled 37,019 kilometers of track as of the beginning of 1953, according to data recently released in a statistical study. Of this total, the state of Minas Gerais had the largest individual share, with 23.4 per cent of the total of 8,672 kilometers. São Paulo came next, with 20.9 per cent or 7,737 kilometers. Rio Grande do Sul had 10.2 per cent or 3,757 kilometers, and the state of Rio de Janiro, 2,650 kilometers, or 7.2 per cent.

Big RR Investment

Railroad development, a primary concern of the Vargas administration, is scheduled to absorb a total investment of over Cr$4.5 billions during 1954.

BRAZIL-U.S. SYNTHETIC RESIN INDUSTRY OPENS

Recently inaugurated at São Bernardo do Campo, in the State of São Paulo, was a factory to produce synthetic resins and glues, under the name Resana, S.A., Indústrias Químicas.

The new industry, which will use Brazilian raw materials almost exclusively, will operate with processes developed by Reichhold Chemicals, Inc., of New York.

Wide Applications

Its synthetic resins and glues will chiefly be used in the manufacture of paper articles, which can be waterproofed, in printing inks and paints, in plywood articles, in insulation materials, in plastics and in textiles, as well as abrasives, it is reported.

BRAZIL REPAYS U.S. IN FULL

Mr. Marcos de Souza Dantas, President of the Bank of Brazil, is reported to have called on Mr. James Scott Kemper, U.S. Ambassador to Brazil, at the end of June, to advise him that the country would make her final payment on Lend-Lease obligations as of Monday, June 28th. The amount to be paid was stated to be $5,000,000.

BRAZILIAN STEEL EXPERT GETS U.N. APPOINTMENT

General Edmundo Macedo Soares e Silva, builder of the Volta Redonda steel plant, Brazil's largest, has been designated by the United Nations Organization to carry out preliminary studies in connection with planning and building of the great new steel mill in Venezuela. The Brazilian steelman arrived in Caracas early in June, it is disclosed.

BRAZILIAN-MADE CANNON USED IN EXERCISES

Anti-aircraft cannon of 40 mm. caliber, manufactured completely in Rio de Janeiro's Military Arsenal, was extensively used in defense exercises near the capital, early June, it is disclosed.

Advancement in the field of military construction in Brazil has been paced by marine progress also. The Naval Arsenal of Rio de Janeiro has long been noted for the high-speed modern destroyers which it has constructed for the Brazilian Navy.

LE TOURNEAU SCHEDULES PRODUCTION IN BRAZIL

The Le Tourneau Company, world-famous earth-moving equipment industry, will soon be manufacturing its products in Brazil, it is announced.

The Brazilian factory is to be installed in the neighborhood of Campinas, in the State of São Paulo, and preparation of an industrial lot for the new plant was recently commenced in the Amarais suburb of the prominent industrial city.

Brazil Has Model Piston Ring Plant

Vibar, S.A., Makes Four Million a Year, in 4,000 Types

Brazil's Vibar, S.A., Indústria e Comércio, largest industry of its type in Latin America, has now achieved a yearly production of no less than four million piston rings, the Brazilian press discloses.

The industry, located in the important São Caetano do Sul, one of the most heavily industrialized centers in the country, makes no less than four thousand different types of piston rings.

Wide Range of Products

Its products cover the entire range of piston-ring requirements, from large motor-ship and aviation types down to miniature rings used in motorized pedal bicycles.

Vibar is a regular supplier to the Brazilian Navy, Air Force and Army, and provides rings to almost every railroad in Brazil.

U.S. Industry Uses

Industrial clients include General Motors do Brasil, Ford Motor Company, International Harvester and Brasmotor (Chrysler representatives in Brazil).

A recent development has been the introduction of hard chromium-plated rings, said to last from two to four times as long as ordinary piston rings.

Know-how Sought Constantly

One of the factors to which Vibar attribute their success has been the regular practice, dating back to the industry's early days, of sending their engineers abroad for specialized training in industrial know-how.

Vibar, whose factory covers an area of more than fifty thousand square feet, utilizes the most modern of equipment, including Detroit and Leeds & Northrup electric furnaces, Gisholt automatic lathes, and complete optical precision guages, in accordance with latest manufacturing practices.

$10 Million Pulp Mill to be Built in S. Paulo

Eucalyptus Lumber Will be Raw Material for New Rio Claro Plant

Many Sources Used in Drive Towards Paper and Pulp Self-Sufficiency

Brazil's paper and pulp industry, which already supplies about eighty percent of the country's requirements, is now scheduled to move a stage further towards complete self sufficiency in view of plans to build a ten-million dollar pulp plant on the Rio Claro, in São Paulo, disclosed at the end of May.

The new factory, which will cost about Cr$200 million, is expected to provide the country with exchange economies of at least $10 million annually at the outset, it is disclosed.

Equipment for the new plant is to be manufactured chiefly in France, but a part will come from Germany and Great Britain.

Country's Output: 265,000 Tons

Progress of the paper industry in Brazil is indicated by the fact that, of the approximately 320,000 tons consumed per year at present, over 265,000 tons come from Brazilian factories.

Biggest lack is that of newsprint, since Brazil produces only about forty percent of her total requirements.

However, the country is approximately self sufficient as regards other types of paper, since her sixty-one factories produce almost all kinds, including heavy cardboards, and only a small quantity of special papers still has to be imported.

Rapid Expansion Required

To keep pace with the demand for newsprint (Brazil has over 1,500 newspapers in regular publication), it was estimated by FAO-CEPAL experts that it would be necessary to build 88,000 tons of capacity by the end of 1955, 133,000 by 1960 and 192,000 by 1965.

The same report indicated a need for increasing pulp capacity by 142,000 tons per year by 1955; 223,000 by 1960 and 334,000 tons by 1965.

However, it was pointed out, projects now under execution or in advanced stages of planning, pointed to an increase of perhaps as much as 150,000 tons by next year, so that requirements should be completely covered as of that time.

Advantages of Eucalyptus

Raw material for the new Rio Claro factory is to be the wood from the eucalyptus trees, which thrive in São Paulo, and the south of Minas, and were described in a joint F.A.O.-C.E.P.A.L. study on paper industry as "Brazil's greatest (paper-making) resources, because they are linked with São Paulo by means of first rate highways and railroads."

(Eucalyptus trees are not indigenous to Brazil. They were originally introduced planted on a large scale by Brazilian expert Edmundo Navarro de Andrade, who was contracted by Cia. Paulista de Estradas de Ferro, in the early twenties, to establish vast plantations along certain stretches of the railroad's lines.

Today, Brazil has the largest stands of eucalyptus trees of any country except their native Australia, and many varieties of the trees are grown.)

Vast Stands Available

The eucalyptus plantations of Brazil hold out great expectations from the point of view of paper and pulp manufacture.

Total number of trees now growing in the State of São Paulo alone is estimated at about one billion.

A special advantage of the eucalyptus is the rapid rate of growth, since it is estimated that, at six years of age, it provides almost fifteen pounds of dry wood per tree, or nearly 3,000 cubic feet per acre.

The technical report pointed out that the advantage of the eucalyptus over the Brazilian pine is chiefly a question of accessibility.

The Brazilian pine has, however, the advantage of yielding a type of pulp which can be used for practically every paper-making purpose, and being especially adaptable for the production of both newsprint and wrapping paper.

Brazilian pinewood is the basis for the giant Klabin paper industry, largest in the country, which also represents the largest investment in Brazilian industry in a single line of activity.

According to the FAO-CEPAL report, estimates on pine reforestation plans are made on a basis of an average yield of 12 cubic meters per hectare per year (about 150 cubic feet per acre).

Sugar-Bagasse Developments

Of great value to the Brazilian paper industry in the future, it is stressed, are the sugar cane bagasse availabilities in the São Paulo sugar region especially in view of the ready availability of transport and the proximity to important markets for the finished product.

A successful start of the sugar-cane bagasse paper industry has been made at Piracicaba, where the prominent Morganti family is now producing some 50,000 pounds of pulp a day and plans further expansion in the future.

Pernambuco Project

It was also announced recently that Brazil's official Sugar & Alcohol Institute was sponsoring construction of a pulp mill in Pernambuco, to operate with sugar-cane bagasse.

One vast region in which sugar-cane bagasse industrialization might usefully be studied is the North-East of Brazil, soon to commence receiving inexpensive power from the Paulo Afonso project.

Sugar-cane bagasse as a source of pulp and paper is a worth-while subject for study by developmental capital seeking Brazil, in view of the fact that the country produces upwards of 32 million tons of sugar a year, and hence has almost inexhaustible sources of this cheap raw material.

Banana Pulp Also Used

A novel and interesting approach to paper-and pulp production is now being undertaken at Macabú, in the State of Rio de Janeiro, it is disclosed, where a new factory is to utilize a Brazilian-invented process, patented internationally, and known as "Banex", whereby the pulp is obtained from banana plant residues and stumps.

Long-Range Amazon Plans

The FAO-CEPAL report describes Amazon Valley long-range developmental prospects as "unlimited".

However, it stressed, in view of poor accessibility to markets, other sources of pulp would probably provide better means of supplying the Brazilian market up to about 1965, though studies on the production of paper and pulp in the Amazon region might be examined from the point of view of export possibilities.

It was suggested that utilization of forests of mixed timber of electric power would be the located close to potential sources best solution, with the provision that the manufacture of paper and pulp be considered as a part of an integrated group of forest industries, including the production of valuable hardwoods for export, production of plywood and other types of compensated wood products, and possibly other chemical industries in addition to the pulp manufacture *per se*.

Excellent Raw Material

It was emphasized that the mixed-timber forests of the Amazon region might provide excellent raw materials for the prodction of practically all types of paper required by the market, in view of the successful results achieved in technical test carried out in French laboratories, with various species of lumber available in such forests.

Pilot Plant Pondered

Development of industrialization in Amazon along these lines might be preceded by the establishment of a pilot plant at some suitable point, in addition to extensive surveys to determine the most suitable location for large-scale developments.

(*See Page* 2)

OPPORTUNITIES IN BRAZILIAN TRADE

The Brazilian Government Trade Bureau has received the following inquiries from businessmen in Brazil, who desire to export or import the products listed below. These inquiries are published as received and no representation is made as to standings of listed firms. We suggest that the parties interested write directly to these firms, via airmail, as well as to this office, at 551 Fifth Avenue, New York 17, N. Y.

BUYERS WANTED

CARNAUBA WAX, SKINS and HIDES, RESINS, BRAZIL NUTS, and JABORANDI LEAVES. Durval Gonçalves, Caixa Postal 109, Teresina, Piauí, Brazil.

BRAZILIAN ORCHIDS and other ornamental flowers. Carlos Leite de Castro, Rua Emílio Ribas 55, Santos, Estado de São Paulo, Brazil.

EMETINE HYDROCHLORIDE USP XIV. Extracted from Mato Grosso Ipecac Root. Large quantities available. Laboratórios Silva Araujo-Roussel, S.A., 262 Avenida Beira-Mar, Rio de Janeiro, Brazil.

SEMI-PRECIOUS STONES, such as **TURMALINES, AQUAMARINES, TOPAZ; ORNAMENTAL FEATHERS; HANDICRAFTS** and **CURIOS** from the **INDIGENOUS POPULATION; TROPICAL FISH** for **AQUARIUMS;** (including **ELECTRICEELS**); **SONG-BIRDS, PLUMAGE BIRDS,** and **OTHER COLLECTORS' LIVESTOCK.** Álvaro de Souza, Rua Rodrigo Silva 18, Sala 802, Rio de Janeiro, Brazil.

SECTIONAL BAMBOO FISHING RODS. Fábrica de Varas para Pesca "JAÚ", Caixa Postal 57, Jaú, Estado de São Paulo, Brazil.

TAPIOCA FLOUR, SOYA BEANS, RICE. Cereais Rosito Ltda., Caixa Postal 2476, Pôrto Alegre, Rio Grande do Sul, Brazil.

ROUGH and PLANED PARANÁ PINEWOOD; PARANÁ PINE PLYWOOD; HARDWOODS, INCLUDING JACARANDÁ, CEREJEIRA, JEQUITIBÁ, SUCUPIRA, ANDIROBA, PEROBA DO CAMPO, etc. HARDWOOD PLYWOODS. Max Weinberger, Caixa Postal 6415, São Paulo, Brazil.

1" x 1" x 48" STICKS of PARANÁ PINE, (for making broom handles), in bundles of 100. Antônio Oliveira Caldas, Caixa Postal 566, Fortaleza, Ceará, Brazil.

COFFEE, CEREALS, HIDES, VEGETABLE OILS, etc. Transcontinental Ltda., Caixa Postal 166, Uberaba, Minas Gerais, Brazil.

"TRADE OPPORTUNITIES"
for American firms

The Brazilian Government Trade Bureau also accepts advertisements from U.S. firms wishing to reach interested parties in Brazil in its weekly "BOLETIM AMERICANO", in Portuguese, widely distributed in Brazil. U.S. firms wishing to import Brazilian products and desiring to use these facilities are invited to write to: Brazilian Government Trade Bureau, 551 Fifth Avenue, New York, New York.

FLAGS, SPORTS GOODS, MEDALLIONS, SHIELDS, POSTCARDS, MAGAZINES, ETC., especially wall flags, featuring famous Brazilian sights, such as Sugar Loaf, Maracanã Stadium, Corcovado, Copacabana, Rio Carnaval, Quitandinha, Terezópolis, Iguassú Falls, Rio Grande Gauchos, Ceará Sea-Going Rafts (Jangadas), Rio-Brasil Mercantil Ltda., Caixa Postal 4716, Rio de Janeiro, Brazil.

BRAZILIAN PRODUCE in general. A. Pheeney C. Silva, Caixa Postal 12866, São Paulo, Brazil.

SISAL FIBERS. Medeiros & Irmão Caixa Postal 107, João Pessôa, Paraíba, Brazil.

FRESH BANANAS. Alvaro de Mendonça Borba, Rua Sete de Abril 252, 3.°, sala 34, São Paulo, Brazil.

MANIÇOBA CRÊPE RUBBER, TEA, HERVA MATE, MICA, CRYSTALLIZED MENTHOL. José Kaselkovitz, Rua Guaicurús 1303, São Paulo, Brazil.

DRIED BANANAS. Representações SINGOR Ltda., Caixa Postal 1343, Pôrto Alegre, Rio Grande do Sul, Brazil.

RICE, BABASSÚ KERNELS, CORN, CASHEW NUTS, TAPIOCA FLOUR, RICE MEAL, COTTONSEED OIL, BABASSÚ OIL, COTTON WASTE. Ruy Abreu & Cia., Caixa Postal 79, São Luiz, Maranhão, Brazil.

MICA, about 500 tons, in blocks. Natércio Maia, Rua Saldanha da Gama 58, Bairro do Roger, João Pessôa, Paraíba, Brazil.

TAPIOCA WHITE FLOUR, MANGROVE BARK. Salma Chear Hiluy, Caixa Postal 227, São Luiz, Maranhão, Brazil.

TAPIOCA FLOUR. Furtado & Dourado Ltda., Caixa Postal 124, Rio Grande, Rio Grande do Sul, Brazil.

CASTOR SEED, VEGETABLE OILS, ESSENTIAL OILS, BABASSÚ KERNELS, BRAZIL NUTS, FIBERS. Brasmatéria, Rua Visconde de Inhaúma 134, salas 927-28, Rio de Janeiro, Brazil.

TIJUCA BLACK GRANITE. Kropsch & Cia., Ltda., Caixa Postal 1972, Rio de Janeiro, Brazil.

TAPIOCA FLOUR and other CEREAL products. Custódio Apolonio da Rosa, Caixa Postal 44, Laguna, Santa Catarina, Brazil.

PRECIOUS STONES. Adolf A. Milch, Avenida Rio Branco 151, S. 1109, Rio de Janeiro.

SELLERS WANTED

NEW HAMPSHIRE chicks, INCUBATORS and other **POULTRY BREEDING APPLIANCES.** Filomeno Fernandes, Caixa Postal 4749, Rio de Janeiro, Brazil.

ELECTRIC MOTORS, BICYCLES, WHEAT and **CODFISH.** S. Costa Araújo, Rua Barão do Triunfo 488, João Pessôa, Paraíba, Brazil.

DIESEL ENGINED TRUCKS, of following makes: F8, 10-ton; GMC, 10 and 12ton; Diamond T, 10 and 12 ton or Mack, 10 and 12 ton. Serraria Norte do Paraná Ltda., Rua do Matoso 207, ap. 307, Rio de Janeiro, Brazil.

TANNERY CHEMICALS. A. M. Rodrigues & Cia., Ltda., Caixa Postal 316, Fortaleza, Ceará, Brazil.

INDUSTRIAL RAW MATERIALS in general. Leon Guedes Corrêa, Caixa Postal 1525, Recife, Pernambuco, Brazil.

"PLANET" JUNIOR CULTIVATORS. Solon Porto Pedrosa, Rua São Paulo 638, Belo Horizonte, Minas Gerais, Brazil.

PRINTING INKS. ELO, Rua Araújo Pôrto Alegre 70, sala 612, Rio de Janeiro, Brazil.

FERROS and **NON-FERROUS METALS, TUBES, WIRE, WIRE ROPES, HEAVY MACHINERY, POWER PLANTS, CHEMICALS** in general. Imhauka Brasileira Industrial e Comercial, S.A., Caixa Postal 43, Rio de Janeiro, Brazil.

MACHINES for making concrete blocks and other cement artefacts. Emprêsa "UNIVERSO", Caixa Postal 80, Santarém, Pará, Brazil.

FORD AUTOMOBILES, eight-cylinder, four-door, 1948 model. Iremar Villarim Meira, Caixa Postal 80, Campina Grande, Paraíba, Brazil.

REPRESENTATIVES

Sales representative in U.S. required for Brazilian producer of mica. Edwin Collier, Jr., Caixa Postal 308, Governador Valadares, Estado de Minas Gerais, Brazil.

Manufacturers and/or exclusive exporters of printing inks are offered exclusive representation by ELO, Rua Araújo Pôrto Alegre 70, sala 612, Rio de Janeiro, Brazil.

Manufacturers and exclusive exporters of automobile parts and accessories, diesel parts and tractor parts, also complete tractors are offered exclusive representation by Mr. Filip Riwczes, c/o Mrs. Geller, 200 West 86th St., N. Y. 24, N. Y., Telephone: ENdicott 2-0832.

Manufacturers and exclusive exporters of tractors and agricultural machinery are offered exclusive representation by Vincent Felício & Cia., Caixa Postal 183, Santos, São Paulo, Brazil.

MISCELLANEOUS

LAND in Paraná, Brazil. For sale in the State of Paraná fertile land with "terra rôxa" (red earth), for growing coffee, wheat, rice, sugar cane, bananas, pineapples, etc., also farms already in production and coffee plantations at moderate prices. Terms offered. Monteiro & Miyamura Ltda., Rua Conselheiro Crispiniano 344, 7.°, conj. 705, São Paulo, Brazil.